

Honolulu, Hawaii

APR 08 2011

RE: H.B. No. 960
H.D. 1
S.D. 2

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B.
No. 960, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LOW-INCOME HOUSING,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the
Hawaii Housing Finance and Development Corporation to grant low-
income housing tax credit loans to certain owners of qualified
low-income buildings.

In addition, this measure authorizes the issuance of general
obligation bonds to fund the loans.

Your Committee received comments in support of this measure
from Karen Seddon, Executive Director, Hawaii Housing Finance and
Development Corporation; Samuel E.H. Moku, Director, Department of
Community Services, City and County of Honolulu; Ed. Gross,
President, The Image Group; Kevin R. Carney, Vice President,
Hawaii, EAH Housing; Stanford S. Carr, President, and Jesse Wu,
Vice President, Stanford Carr Development, LLC; Kevin R. Carney,
President, Housing Hawaii; Michael T. Miyabara, FASLA, Miyabara
Associates, LLC; Les Masutani, Vice President, Coastal
Construction Company, Inc.; Kirt Pruyn, Manager of Business
Development & Community Relations, Hawaiian Dredging Construction
Company; Rick Moss, PE, MOSS Engineering, Inc.; Marc Matsubara,
Vice President, Island Flooring Co., Inc.; Craig Hirai, Chair of
the Subcommittee on Affordable Housing, Hawaii Association of



REALTORS; and Makani Maeva, Director of Development, Vitus Development, LLC.

Your Committee received comments on this measure from David M. Louie, Attorney General, Department of the Attorney General; Kalbert K. Young, Director, Department of Budget and Finance; and the Tax Foundation of Hawaii.

Your Committee finds that this measure gives certain owners of qualified low-income buildings the option of receiving low-income housing tax credit loans from the Hawaii Housing Finance and Development Corporation in lieu of claiming low-income housing tax credits under the income tax laws. Low-income housing tax credit loans will serve as an alternative source of gap financing to developers of affordable housing, thus addressing one of the greatest challenges to developing affordable housing.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2117, to facilitate continued discussion on the measure; and
- (2) Making a technical amendment to reflect existing statutory language.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 960, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 960, H.D. 1, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DAVID Y. IGE, Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:	
HB 960, HD1, SD1	WLH, WAM	4-7-11	
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____			
The Recommendation is:			
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310	<input type="checkbox"/> Recommit 2313
Members	Aye	Aye (WR)	Nay
IGE, David Y. (C)	/		
KIDANI, Michelle N. (VC)	/		
CHUN OAKLAND, Suzanne	/		
DELA CRUZ, Donovan M.	/		
ENGLISH, J. Kalani	/		
ESPERO, Will	/		
FUKUNAGA, Carol	/		
KIM, Donna Mercado	/		
KAHELE, Gilbert	/		
KOUCHI, Ronald D.	/		
RYAN, Pohai	/		
TOKUDA, Jill N.	/		
WAKAI, Glenn	/		
SLOM, Sam			/
TOTAL	13	0	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted			
Chair's or Designee's Signature: <i>Michelle N. Kelani</i>			
Distribution: <div style="display: flex; justify-content: space-around; font-size: small;"> Original File with Committee Report Yellow Clerk's Office Pink Drafting Agency Goldenrod Committee File Copy </div>			

*Only one measure per Record of Votes